



Research and Development Credit Worksheet

for Tax Year 2006

• See important instructions on reverse side

**FORM
3800N
Worksheet**

Name as Shown on Form 3800N

Social Security Number or Nebraska Identification Number

| | BASE AMOUNT | | RESEARCH AND DEVELOPMENT CREDIT YEARS | | | | |
|--|----------------|----------------|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | A | B | C | D | E | F | G |
| | 2nd Prior Year | 1st Prior Year | 1st Year of Research and Development | 1st Succeeding Year | 2nd Succeeding Year | 3rd Succeeding Year | 4th Succeeding Year |
| 1 Enter applicable tax year end date (mo/day/yr) | 1 | | | | | | |
| 2 Enter total qualified research expenses (from Federal Form 6765, line 9 or line 28) (see instructions) | 2 | \$ | \$ | \$ | \$ | \$ | \$ |
| 3 Nebraska property factor | 3 | % | % | % | % | % | % |
| 4 Nebraska payroll factor | 4 | % | % | % | % | % | % |
| 5 Add lines 3 and 4 | 5 | % | % | % | % | % | % |
| 6 Average property and payroll factors (line 5 ÷ 2) | 6 | % | % | % | % | % | % |
| 7 Nebraska research expenditures (line 2 x line 6) (see instructions) | 7 | \$ | \$ | \$ | \$ | \$ | \$ |
| 8 Base amount [(column A, line 7 + column B, line 7) ÷ 2]. Enter here and in columns C through G | 8 | \$ | | | | | |
| 9 Increase in research expenditures line 7 minus line 8 | 9 | | \$ | \$ | \$ | \$ | \$ |
| 10 Nebraska Research and Development Credit (line 9 x 3%) | 10 | | | | | | |
| USE OF RESEARCH AND DEVELOPMENT CREDIT | | | | | | | |
| 11 Amount of credit (refundable to the entity claiming the credit) from line 10 used on Nebraska income tax return. Enter on line 22 of Form 3800N | 11 | | | | | | |
| 12 Amount of credit used for sales/use tax refunds of taxes paid on qualifying expenditures (see instructions) | 12 | | | | | | |
| 13 Amount of credit (nonrefundable) distributed to partners, shareholders, members, or certain fiduciary beneficiaries (see instructions) | 13 | | | | | | |
| 14 Total credit usage (line 11 + 12 + 13). Total cannot exceed line 10 | 14 | | | | | | |

Schedule A — Distribution of Research and Development Credit

| Name of Partner, Shareholder, Member or Beneficiary* | Social Security Number or Nebraska Identification Number | Share of Income or Ownership | Amount of Credit |
|--|--|------------------------------|------------------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |

11 Total (enter here and on line 13 of the Research and Development Credit Worksheet above) **11**

*Note: Each partner, S corporation shareholder, LLC member, and beneficiary should be notified of the distributed share of the Research and Development credit.

INSTRUCTIONS

WHO MAY FILE. Any business firm making expenditures in research and experimental (R&D) activities as defined in section 174 of the Internal Revenue Code may claim a credit equal to 3 percent of the amount expended on such activities which is in excess of the “base amount”. The “base amount” is the average amount expended in R&D activities by the business firm in this state in the two tax years immediately preceding the first tax year that the credit is claimed.

Business firm means any business entity including a corporation, fiduciary, sole proprietorship, partnership, joint venture, limited liability company, or other private entity that is subject to sales tax under Neb. Rev. Stat. section 77-2703.

WHEN AND WHERE TO FILE. This credit computation worksheet must be completed and attached to the Nebraska Incentives Credit Computation, Form 3800N. The credit is allowed for the first tax year it is claimed and for the four tax years immediately following.

SPECIFIC INSTRUCTIONS

LINE 1. Enter in column C the first tax year end date for which the credit is being claimed, then enter in the other columns the applicable tax year end dates that correspond to the column C tax year end.

LINE 2. The amount expended in R&D activities in this state in any tax year may be determined either by satisfactory proof of purchase or by apportioning the amount deducted on the federal income tax return. If using actual Nebraska R&D expenditures, skip lines 2 through 6 and enter the actual expenditure amounts on line 7. Otherwise enter the amount

from line 9 or line 28, as appropriate, of Federal Form 6765 for each applicable tax year.

LINES 3 AND 4. The Nebraska property and payroll factors are determined pursuant to Neb. Rev. Stat. sections 77-2734.12 and 77-2734.13, respectively. Round the factors to 4 decimal places and enter as a percent.

LINE 7. Multiply line 2 by the average factor calculated on line 6. If not apportioning expenditures, enter the amount of actual Nebraska R&D expenditures. Supporting documentation must be attached if reporting the actual amount of Nebraska R&D expenditures.

LINE 12. Claims may be filed quarterly for refunds of state sales/use taxes paid, either directly or indirectly, after the filing of the income tax return for the tax year in which the credit was first allowed. A taxpayer is deemed to have paid **indirectly** any state sales/use taxes paid by the contractor on annexed building materials in a project built for the taxpayer. The contractor must either certify the actual amount of taxes paid or certify that state sales/use taxes were paid on all annexed building materials, in which case it will be presumed that 40 percent of the project cost was for building materials on which the tax was paid. The contractor must maintain documentation to adequately support any certification made.

LINE 13. Credits must be distributed in the same percentage as income is distributed to the recipient. The credit is a **nonrefundable** credit in the hands of the recipient and may only be used against the recipient’s Nebraska income tax liability.



Nebraska Renewable Energy Tax Credit Worksheet

FORM 3800N
Worksheet

Name as Shown on Form 3800N

Social Security Number or Nebraska Identification Number

| | | |
|--|----------|--|
| 1 Enter total kilowatt-hours of electricity generated by a qualifying new zero-emission facility | 1 | |
| 2 Nebraska Renewable Energy Tax Credit. Multiply line 1 by \$0.075 | 2 | |
| USE OF THE CREDIT | | |
| 3 Amount of credit from line 2 used to reduce Nebraska income tax liability. Enter here and on line 15, Form 3800N | 3 | |
| 4 Amount of credit from line 2 used to obtain a refund of Nebraska sales and use taxes paid by the producer of electricity generated by a qualifying zero-emission facility. (Note: The total of line 3 plus line 4 cannot exceed the amount of the credit calculated on line 2). | 4 | |

INSTRUCTIONS

WHO MAY FILE. Any producer of electricity generated by a new zero-emission facility located in this state is eligible for a tax credit for electricity generated at such facility on or after July 14, 2006. To qualify, the facility must have a rated production of one megawatt or greater, must utilize eligible renewable resources (wind, moving water, solar, geothermal, fuel cell, methane gas, or photovoltaic technology) as its fuel source, and its operation must result in no pollution or emissions that are or may be harmful to the environment as certified by the Department of Environmental Quality. For further information, please contact the Department of Environmental Quality at (402) 471-2186.

Note: The total amount of credits that may be used by all taxpayers is limited to \$400,000. The credits will be allowed in the order in which they were claimed.

WHEN AND WHERE TO FILE. This credit computation worksheet must be completed and attached to the Nebraska Incentives Credit Computation, Form 3800N.

SPECIFIC INSTRUCTIONS

LINE 1. Enter the total kilowatt-hours of electricity generated by a qualifying zero-emission facility on or after July 14, 2006 and before January 1, 2007.

LINE 3. Enter the amount of the credit from Line 2 which is being used to reduce the taxpayer’s Nebraska income tax liability. This amount must also be entered on Line 15, Form 3800N. Attach a copy of this worksheet to Form 3800N.